

FISCAL NOTE

SB 1132 - HB 1131

March 10, 1997

SUMMARY OF BILL: (1) Allows persons to be admitted to any Board of Regents university without paying out-of-state tuition, if they are non-residents whose residence is in a county of another state lying adjacent to Tennessee. Limits are set at 3% of FTE; (2) Deletes the provision which allows out-of-state tuition waivers to students at the community colleges; (3) Places a 3% FTE limit on APSU; (4) Retains exemptions at Dyersburg State Community College.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$1,995,000

Assumes lost revenues to higher education institutions will be replaced with state funds.

Proposed law - cost of waivers for non-resident students at 4-year institutions	\$4,890,000
Deletes - cost of waivers for non-resident students at community colleges (except for one)	<u>(2,895,000)</u>
Net Cost Increase	<u>\$1,995,000</u>

Assumes that the out-of-state attendance rates for those institutions which no longer give tuition waivers to out-of-state students will decline substantially.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director